



STATEMENT IN SUPPORT OF
Senate Bill 323: An Act Concerning Angel Investors and Programs
Implemented by Connecticut Innovations, Incorporated

Commerce Committee
March 2nd, 2010

The MetroHartford Alliance is Hartford's Chamber of Commerce and the region's economic development leader. Our investors include businesses of all sizes, health care providers, institutions of higher education, and 34 municipalities. The Alliance's mission is to ensure that the Hartford Region competes aggressively and successfully for jobs, talent and capital so that it thrives as one of the country's premier places for all people to live, work, play, and raise a family.

One of the key components of our strategic plan is to improve the climate for small businesses and entrepreneurs in our state. Much of the assistance that is currently provided includes counseling services, business plan preparation, protecting intellectual property rights, and administrative support. This is absolutely necessary. However, experience has taught us that nothing happens without access to early stage capital. The proposed angel investor tax credit program would increase the pool of investment capital available to small businesses with fewer than 25 employees, more than half of whom reside in state, and those with less than five million dollars in gross annual revenue in the most recent income year. For companies that qualify, this type of support is critical to their ultimate success.

Connecticut is fortunate to have some of the highest net worth residents in the nation that have the capacity to make this type of investment. Generally speaking they are also successful business men and women that have the expertise and experience to analyze, supervise and mentor those new businesses as they mature. They are also in a position to make timely decisions